

Joint Legislative Oversight Committee on Unemployment Insurance

NC Department of Commerce
Division of Employment Security
W. T. Brinn, Assistant Secretary
11/22/16



Disaster Unemployment Assistance (DUA)

- Eligibility
 - Not eligible for Regular Unemployment
 - Unemployed due to disaster
 - Self Employed and Small Business owners
 - Those who become primary wage earner due to the death of a primary wage earner
- Benefits
 - Weekly Benefit Amount
 - Maximum benefit amount applies as defined in State Law
 - Minimum is 50% of average weekly benefit amount
 - Duration
 - Maximum duration for regular unemployment applies
 - Disaster Unemployment benefits can last up to 26 weeks unless extended
- Funding
 - Federal grant for administration of program
 - DUA benefits are federally funded
 - Regular Unemployment comes from trust fund
 - Non Charged to employers

Hurricane Matthew Efforts

- Scheduled and conducted daily DUA meetings with key DES personnel.
- Coordinated an outreach effort among DES staff to have a physical presence in local offices
 - Reassigned 20 Tax Auditors and 6 Fraud Investigators
- Extended DES Call Center hours during the work week and on Saturdays
 - Phone calls: 33,000 calls during the week of October 22
 - 169% increase from average
- Public Service Announcement (PSA) for local media
- Staff Training

DUA Data to Date

11/21/16

- Initial Claims: Approximately 9,000 Disaster Claims filed
- Benefits Paid: Approximately \$500,000 in regular unemployment
- DUA Benefits Paid: Approximately \$43,000

DUA Outreach

- FEMA Centers
- Small Business Administration
- Chambers of Commerce
- County Managers
- Employer business visits

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- **WHY DID DES JOIN THE CONSORTIUM?**
- **DES UI 30+ YEARS OLD MAINFRAME APPLICATION**
- **DEPT. OF LABOR \$50 M DOLLAR GRANT – SHARED UI PLATFORM TO PROMOTE CONSISTENCY AND COST SAVING ACROSS STATES**
- **TO DATE WE HAVE SPENT \$13.1 M OF DEPT OF LABOR GRANT**
- **PAYMENTS ARE TIED TO ACTUAL PRODUCT NOT PAPER**
- **NC HAS COMMITTED AN ADDITIONAL \$14 M IN RESOURCES IF NEEDED**
- **DES IS USING 56 STATE RESOURCES AND HAS HIRED OVER 30 CONTRACTORS TO INCLUDE TESTERS**
- **CAPGEMINI RESOURCES – APPROXIMATELY 110+**

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- Phases of Project: General design, detail design, testing, implementation, post implementation support
- 290 Interface Transactions with 22 State and Federal agencies
- Correspondence documents will be stored in NC and hosted by DIT
- Claimants and employers will be able to access their correspondence on-line
- 500AB, Request for Separation Information, Changes
- Claims that normally require staff such as Military, Federal, and DUA, SCUBI allows them to process directly without staff

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- **Challenges**

- **Testing cadence is slower than planned, with an expectation of affecting the tentative go live dates:**
 - **SC March 1st**
 - **NC April 27th**
 - **GA June 26th**
- **NC has consistently stated we will not go live until we are satisfied the system is ready**
- **Federal certification of new 21st Century system from agencies working off 1980 technology**
- **Competition for limited resources between legacy maintenance and SCUBI**
- **Fear of change created by replacing legacy systems**
- **Disruptions due to change (Personnel, Organizational, Economy, Natural disaster)**

- **Our Advantages**

- **Experienced, knowledgeable team from three different states**
- **Committed, sophisticated vendor**
- **The risks are shared by all states with a tiered approach. NC goes live second.**
- **Utilization of best-practices**
- **Training program that includes allowing for training of DWS and Partner Agency staff**

Legislative Items

- G.S. 96-15(b)(2) Change response time from 14 days to 10
- G.S. 96-15.01(c) Removes paid accrued vacation and sick leave from delaying a claim
- G.S. 96-14(b1) Waiver of wait week and work search during Disaster Unemployment
- G.S. 96-9.7.(b) Trigger date for State Reserve Fund Collection

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